GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2817
ANSWERED ON:15.03.2001
FOREIGN LOANS BY PFC
GANGASANDRA SIDDAPPA BASAVARAJ;GOWDAR MALLIKARJUNAPPA

Will the Minister of POWER be pleased to state:

(a) whether Power Finance Corporation is tapping the international money market to raise foreign loans;

(b) if so, the total borrowings so far achieved;

(c) the extent to which this will help to improve power generation in the country; and

(d) the names of countries from where Power Finance Corporation has been able to obtain the funds?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : The Power Finance Corporation is tapping the international Market toraise foreign currency loans from multi-lateral, bi-lateral and commercial sources since 1990. The details of foreign currency loans so far raised by Power Finance Corporationare as under:-

Sl.No.	Name of Credit	Year of signing	Amount of foreign currency	Amt. Equivalent in million rupees
1.	ADB co-Financing loan	1990	US$60 million & Japanese Yen 7500 mn	2724.90
2.	French Bi-lateral Credit	1990	FF 304.74 million	1402.25
3.	DFID/ODA Grant	1993	UK Pound 25.1 million+	652.00
4.	KfW Mixed Credit	1995	DM 46.5 Million++	543.94
5.	Syndicated Bank Loan	1997	US$ 75 Million	2690.53
6.	Euro Bond Issue	1997	US$ 100 Million	3780.00
7	Syndicated Loan-II	1998	US$ 100 Million	4369.50
8.	Floating Rate Notes	1999	US$ 100 Million	4284.00

+ UK, Pound 9 Million+Rs.166.4 Million utilized so far.
++ DM 23.31 Million utilized so far.

The above amount excludes the World Bank and ADB Loan amounting to US$ 390 Million routed through budget.

(c) : Funds raised by the Power Finance Corporation (PFC) has been used forPFC`s normal loan disbursement operations programme for construction of thermal/hydro power projects, renovation & modernisation projects in India.

(d) : Apart from World Bank and Asian Development Bank, the Power FinanceCorporation has been able to obtain the bi-lateral funds from France, U.K. and Germany and commercial funds from Bank and other investors located in various other countries.